BRITISH COLUMBIA

BC STATS Infoline

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June 5, 1998

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highlights

a weekly digest of recently released British Columbia statistics

Labour Market

- **British Columbia's unemployment rate edged up 0.4 percentage points, increasing to 9.7% in May.** Three thousand additional jobs were created, but the employment gain was not strong enough to absorb the 12,400 people who joined the labour force last month. Canada's unemployment rate remained unchanged at 8.4%. Employment inched down slightly (-7,300), but this was offset by a modest decline (-4,900) in the labour force. Unemployment rates decreased or were unchanged in eight of the ten provinces. Alberta (+0.5 percentage points, to 5.7%) and BC were the only provinces where the unemployment rate rose. *Source: Statistics Canada*

- **In the regions, unemployment rates ranged from 3.2% in the Northeast to 14.4% in Cariboo (three-month moving averages).** A booming oil and gas sector has fuelled the economy in the Northeast, where unemployment rates have remained below four percent since last October. Unemployment rates in the Northeast had averaged around seven percent prior to the middle of last year. *Source: Statistics Canada*

Labour Income

- **During the first quarter of this year, the labour income of British Columbians increased 0.6% (seasonally adjusted).** This was an improvement over the last quarter of 1997, when labour income rose 0.4%. However, the first quarter increase in labour income was well below the national average (+1.5%) and among the lowest in the country. PEI (+2.5%), Ontario (+2.3%) and Alberta (+1.9%) posted the largest gains. Labour income declined in the two territories, and rose only marginally in Newfoundland (+0.1%) and Quebec (+0.4%).

  Source: Statistics Canada

Self-Employment

- **Self-employment in British Columbia fell for the first time in two-and-a-half years, decreasing 1.1% in May.** The year-over-year decline in May came on the heels of a marginal increase (0.7%) in April.

  The number of self-employed workers who do not have paid help continued to advance in May. However, the ranks of self-employed workers with paid employees have been shrinking since the middle of last year. An 18.2% decline in May was more than enough to offset the 9.5% increase in the number of self-employed people working without any paid help. Two-thirds of the self-employed in BC have no paid help.

  Source: Statistics Canada

Small Businesses

- **The average small business in BC earned a profit of $18,800 in 1995.** The average for all Canadian small businesses was $19,900. Small businesses in BC were more profitable than those in Atlantic Canada and Saskatchewan, but less profitable than their counterparts in Ontario, Quebec, and the other prairie provinces. The most profitable small businesses were in Yukon ($29,800) and Ontario ($21,100). Small businesses in Newfoundland ($7,700) were the least profitable. "Small businesses" are defined as those with an annual gross revenue between $25,000 and $5 million. *Source: Statistics Canada*

- **The average profit of small businesses in Canada increased from $15,300 to $19,900 between 1993 and 1995.** The increased profitability of these businesses was due to lower expenses (-4%), which more than offset a 2%

Report — Unionization rates

Did you know...?
Victoria is the self-employment capital of Canada. In November 1995, one in four workers in the Victoria CMA were self-employed, more than in any other major Canadian city.

decline in gross revenues. The leading contributors to the decline in expenses were a decrease in the cost of goods sold (-4%) and a lower wage bill (-7%). Small businesses also benefitted from lower financial expenses (-2%). Goods purchased by small businesses account for 37% of their total costs, wages make up 25%, and financial expenses, 6%. *Source: Statistics Canada*

- **Small businesses in British Columbia employed an average of 2.3 workers in 1995.** Average employment in other parts of the country ranged from 0.8 in Yukon to 2.9 in Newfoundland. Nationally, the average small business had 2.5 paid employees in 1995, down from 2.9 in 1993. Only 70% of Canadian small businesses were employers, compared to 74% in 1993. However, a 13% increase in the number of small businesses helped stabilize total employment in these businesses.

  Source: Statistics Canada

Building Permits

- **Seasonally adjusted building permits increased for the first time this year, rising 6.3% in April.** Both residential (+8.1%) and non-residential (+3.0%) permits were higher than in March. The main reason for the upturn was an increase in planned multi-family housing projects. Nationally, the value of building permits issued by municipalities dropped 3.6% as a result of a downturn in central Canada.

  Source: Statistics Canada

Bankruptcies

- **Consumer bankruptcies in the province continued to decline in March.** There were 574 personal bankruptcies, compared to 624 a year earlier. Canadian consumer bankruptcies rose 3.8%, to 7,355.

  The number of business bankruptcies in BC fell more than a fifth (22.6%, to 65) in March. This was the third straight month in which business0 bankruptcies have dropped. Nationally, business bankruptcies were down 3.8%, marking the fifteenth consecutive month showing a year-over-year decline. *Source: Industry Canada*

Prison Inmates

- **On October 5, 1996, there were more than 37,000 inmates in Canadian correctional facilities.** This translates into 17 inmates for every 10,000 adults in Canada. Compared to the general population, prison inmates were much more likely to be young, male, and uneducated. They were also more likely to have been unemployed at the time they committed their crime. Ninety-five percent of prison inmates were male, although men make up just 49% of Canada's population. Their median age (32) was nine years below the Canadian average (41). They were twice as likely (36%, compared to 19%) as other Canadians to have no more than a grade nine education. More than half (52%) of them were unemployed at the time that they were sentenced to prison.

  Source: SC, Juristat, Catalogue 85-002-XPE

- **A disproportionately high number of prison inmates were aboriginals**. They made up 17% of the prison population, but only 2% of the total population. In BC prisons, 17% of the inmate population–and 3% of the population at large–was aboriginal. While this pattern was observed in all parts of the country, aboriginal incarceration rates were particularly high in the prairie provinces. Most (76%, compared to an 8% population share) of the inmates in Saskatchewan's prison system were aboriginals. There was a similarly high concentration in Manitoba (61%, compared to a population share of 9%). In Alberta, 34% of inmates (compared to 4% of the population) were aboriginal.

  Source: SC, Juristat, Catalogue 85-002-XPE

The Nation

- **Canada's economy grew 0.9% in the first quarter of 1998.** Exports (+1.5%) were largely responsible for the continued strong growth. Final domestic demand advanced only 0.3%, as increased consumer spending (+0.6%) was offset by a decline in business investment (-0.3%).

  Source: Statistics Canada

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For data originating from Statistics Canada: data sourced to 'Statistics Canada' has been retrieved from CANSIM, the agency's electronic database; otherwise the source is identified as 'SC' plus the publication name or catalogue number.

Infoline Report:

June 5, 1998

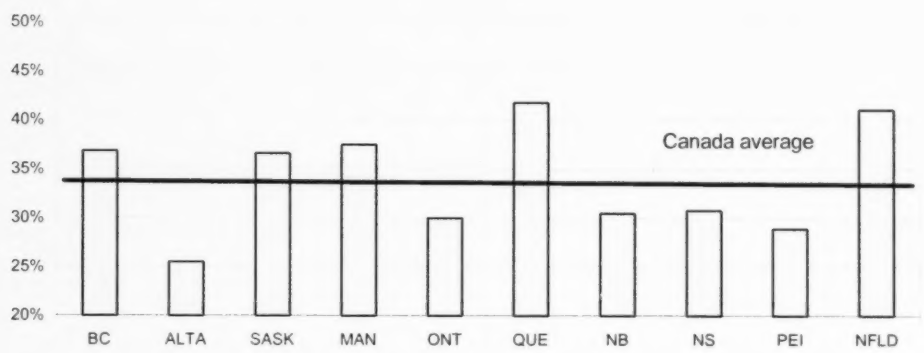
Union Coverage of Employee Workers

Originally published in April 1998 issue of *Labour Force Statistics.* Annual subscription is $60 + GST

Unionization Rates Across Canada . . . In January 1997, the Statistics Canada Labour Force Survey began to collect information on the union status of employee workers. This information is available by industry, gender and age for all provinces. This article provides an initial look at this data for 1997.

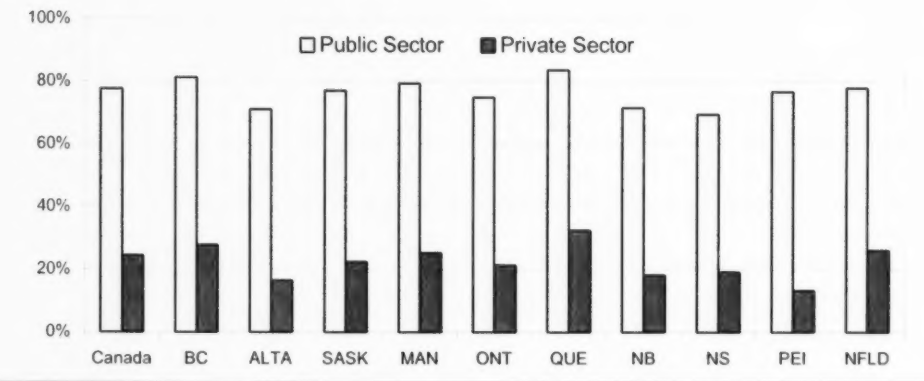
As noted in Figure 1, the share of all employees who are unionized in Canada varies from 26 per cent in Alberta to 42 per cent in Quebec. Newfoundland, and the other 3 Western provinces (including B.C.) all have rates of unionization above the Canadian average (34 per cent).

Figure 1: Percentage of Employees Who are Unionized, 1997



Private vs. Public Sector Employees . . . Public sector employees include those working for public education, health, crown corporations or government employers. As seen in Figure 2, public sector workers in all provinces are much more likely to be unionized than private sector employees. Quebec and B.C. rank first and second in terms of unionization of employees in both the public and private sectors. For private sector employees, Prince Edward Island and Alberta have the lowest rates of unionization, less than half the rate in Quebec.

Figure 2: Percentage of Employees Unionized by Sector, Selected Provinces



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Infoline Report:

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Union Employees by Industry . . . As seen in the first column of Figure 3, the industries in B.C. with the greatest shares of employees who are in unions include utilities, public administration, education, and health. These industries are also those with the highest shares of public sector employment. The goods producing industries generally have unionization rates well above the all-industry average with the exception of construction. In services, those industries with the lowest rates of unionized employees include accommodation and food, business services and other services (which includes personal and amusement and recreation services). Finance, insurance and real estate and retail and wholesale trade also both tend to be below the all-industry average in terms of share of unionized employees.

The distribution of all unionized employees reflects the relative difference in employment by industry. Health, education and manufacturing together account for about half of all unionized workers in B.C.

The third column in Figure 3 indicates the total employment growth seen by industry between 1990 and 1997. Some industries high in unionized employees grew strongly (health and education), while others grew very slowly (public administration and transportation, storage and communications). Likewise, some sectors low in rates of unionized employees saw strong growth in employment (business services and other services), while others like retail and wholesale trade saw below average employment growth.

Figure 3: B.C. Percentage and Distribution of Employees Unionized by Selected Industries, 1997 and Employment Growth 1990-97

	% of Unionized Employees by Industry	Distribution of Unionized Workers	Employment Growth by Industry, 1990-97
Goods-producing	**38.7%**	**23.6%**	**11.0%**
Other primary	45.3%	3.5%	7.5%
Manufacturing	42.6%	14.7%	9.0%
Construction	27.3%	3.7%	13.6%
Utilities	67.2%	1.6%	14.3%
Service-producing	**36.2%**	**76.4%**	**19.9%**
Transportation, storage, communications	60.2%	12.8%	7.3%
Retail and Wholesale Trade	15.6%	7.5%	8.2%
Finance, insurance and real estate	15.6%	2.4%	11.8%
Business services	7.4%	1.2%	39.3%
Educational services	72.0%	16.3%	32.3%
Health & Social services	58.5%	18.3%	35.2%
Accommodation & food services	11.7%	2.9%	24.6%
Other services	15.9%	2.4%	31.8%
Public Administration	75.0%	12.7%	4.4%

Union Status by Age and Gender . . . As seen in Figure 4, older employee workers are more likely to be in union jobs in B.C. than younger workers. Over half of all male employees aged 45 and older, and 45 per cent of women in this age group were in union positions in 1997. For those aged 25 to 44, about 38 per cent of men and 36 per cent of women employees were union members. For youth age 15 to 24, the share of employees who are in union jobs in 1997 was about 15 per cent.

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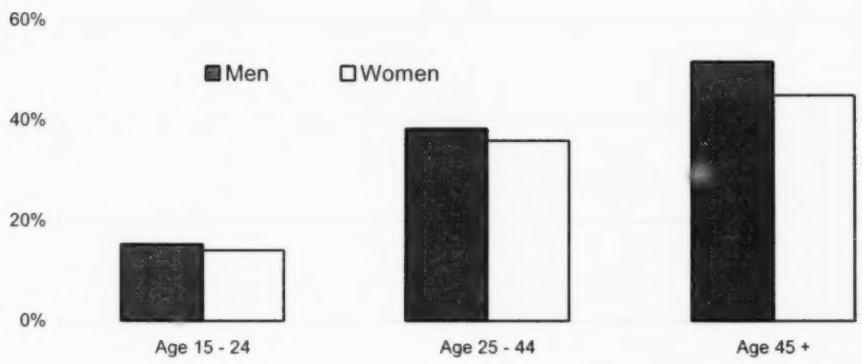
The differences in union rates between age groups relate to differences in the distribution of industries in which different age groups work. For example, the share of all employees aged 45 and older working in one of the five industries with the highest rate of union employees was 45 per cent, compared to 36 per cent for those aged 25 to 44, and only 14 per cent of those aged 15 to 24. In part this may reflect that workers in industries like education, health, and utilities tend to have longer job duration, so the relative number of job openings available for young persons tend to be fewer. In addition, the part-time employment rate for youth continues to be higher, partly due to many youth combining school attendance with part-time work. The sectors with the highest rates of part-time work such as accommodation and food services and retail trade, are sectors with relatively less union jobs.

Figure 4: B.C. Percentage of Employees Unionized by Age Group for Men and Women, 1997



Recent Feature Articles

August 1997 Men in the Labour Market

September 1997 The British Columbia Labour Market - 3rd Quarter 1997

October 1997 1996 B.C. Colleges and Institutes Student Outcomes Report

November 1997 B.C. Employment by Industrial Sector

December 1997 British Columbia Labour Market in 1997

January 1998 Youth Employment and Education Participation Changes

February 1998 Full and Part-time Education Participation by Youth and Young Adults

March 1998 The British Columbia Labour Market - 1st Quarter 1998

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BC at a glance . . .

POPULATION (thousands)	Jan 1/98	% change on one year ago
BC	3,950.7	1.7
Canada	30,425.3	1.0
GDP and INCOME		
(BC - at market prices)	1997	% change on one year ago
Gross Domestic Product (GDP) *($ millions)*	109,347	3.3
GDP *($ 1992 millions)*	98,201	2.2
GDP *($ 1992 per Capita)*	25,039	0.2
Personal Disposable Income *($ 1992 per Capita)*	16,515	-2.3
TRADE ($ millions)		
Manufacturing Shipments (seas. adj.) Mar	2,841	-4.1
Merchandise Exports (raw) Mar	2,086	-11.9
Retail Sales (seasonally adjusted) Mar	2,681	-0.4
CONSUMER PRICE INDEX		
(all items - 1992=100)	Apr '98	% change on one year ago
BC	109.8	0.2
Canada	108.3	0.8
LABOUR FORCE (thousands)		
(seasonally adjusted)	May '98	% change on one year ago
Labour Force - BC	2,048	2.2
Employed - BC	1,850	1.3
Unemployed - BC	198	12.1
		May '97
Unemployment Rate - BC *(percent)*	9.7	8.8
Unemployment Rate - Canada *(percent)*	8.4	9.4
INTEREST RATES (percent)	May 27/98	June 4/97
Prime Business Rate	6.50	4.75
Conventional Mortgages - 1 year	6.55	5.40
- 5 year	6.95	7.35
US/CANADA EXCHANGE RATE	May 27/98	June 4/97
(avg. noon spot rate) Cdn $	1.4565	1.3757
US $ *(reciprocal of above rate)*	0.6866	0.7269
AVERAGE WEEKLY EARNINGS		
(industrial aggregate - dollars)	Mar '98	% change on one year ago
BC	615.40	1.4
Canada	607.26	2.0

SOURCES:
Gross Domestic Product: Statistics Canada, revised by BC STATS
Population, Trade, Prices, Labour Force, Earnings: Statistics Canada
Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

Not updated

Interest and exchange rates for the current week were not available from the Bank of Canada's Internet site.

Socio-Economic Profiles

BC STATS has completed the annual update of ***Socio-Economic Statistical Profiles***. Included in the publication are 4-page profiles of each and every development region and regional district in the province. Individual region profiles provide a set of consistent and comparable data with one page each devoted to demographic, economic and social issues. The introductory page for each region contains a region map and an inset showing the location within the province. At the province level there is a more detailed 8-page profile showing how the various characteristics are experienced in the development regions. A series of background statistical tables round out the publication. Copies may be ordered for $150 plus GST.

Undecided about whether you need a copy? See, on our Internet site, a 4-page region profile taken directly from the new publication:

http://www.bcstats.gov.bc.ca/data/lss/socec/socpage.htm

If you wish to know more about the publication or to order a copy, please contact Kris Ovens at

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Released this week by BC STATS

- Exports, March 1998

Next week

- Labour Force Statistics, May 1998

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